Deerfield Public Schools

Office of the Secretary

Federal Communications Commission KET FILE COPY ORIGINAL

445 12th Street SW

Room TW-A325

Washington, DC 20554

June 20, 2001

RECEIVED

JUN 2 7 2001

RE: REPAYMENT/ OFFSET DEMAND LETTER

FCC MAIL ROOM

CC Docket Number 96-45, 97-21

SPIN:

143005424

Applicant Name:

DEERFIELD U.S.D. 216

Billed Entity Number: 138162

Funding Year End:

06/30/1999

471#

68423

FRN

126266

MIDDLE SCHOOL 316-426-7901

DISTRICT OFFICE

316-426-8516

HIGH SCHOOL

316-426-8401

ELEMENTARY 316-426-8301

Preschool 316-426-2516

This is a response to the letter we received on June 11, 2001 (dated May 25, 2001). Although this letter referenced an earlier communication, this is the first "repayment / offset demand" letter that we have knowledge of receiving. The following information is provided as explanation for our application to the Schools and Libraries Commission for Erate funding in FY 1999.

In 1989 nine unified school districts in southwest Kansas formed the High Southwest Plains (HSPN) interactive television network to provide video instruction for rural public school students. HSPN was created in collaboration with Pioneer Telephone Assoc. Inc. (Ulysses, KS SPIN 143002303), a registered telecommunications provider, and administered by Southwest Plains Regional Service Center (USD 626). Although Pioneer Telephone has always been the underlying service provider for HSPN, the network contract is, in fact, held between Pioneer Telephone and the Regional Service Center, not the individual member districts.

With the advent of the Schools & Libraries Division, the Regional Service Center applied for and was assigned a SPIN. Participating districts used this SPIN in their FRN's although we later learned that we should have used the SPIN assigned to Pioneer Telephone, the actual service provider.

Our contractual agreement has created a great deal of confusion in our subsequent Erate applications. We are especially concerned that we are being asked to return money that was granted to us in the first year of Erate funding. Since Kansas school districts may not carry over money from one fiscal year to the next, these dollars have always been applied to the eligible services provided by a registered common carrier, even though we erroneously used an inappropriate SPIN.

We hope that we can clarify this misunderstanding for this and future funding years. Please do not hesitate to contact us for further explanation.

Sincerely,

No. of Copies rec'd

Dr. Philip Mahan, Ed.D.

Superintendent of Deerfield Schools

U.S.D. #216 • P.O. Box 274 • Deerfield, Kansas 67838

MISSION STATEMENT: The mission of U.S.D. #216 is to

produce creative,

self-sufficient citizens who can be resourceful in a changing

society.